

SENATE BILL 373

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2001 Regular Session
11r2126
CF 11r2199

By: **Senator Baker**

Introduced and read first time: February 1, 2001

Assigned to: Judicial Proceedings

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Uniform Transfer-on-Death Security Registration Act - Trust**
3 **Companies**

4 FOR the purpose of altering and adding definitions under the Maryland Uniform
5 Transfer-on-Death Security Registration Act to allow securities held by trust
6 companies other than in a fiduciary capacity to be transferred directly to a
7 transferee designated by the owner of the securities after the death of the
8 owner; and generally relating to the Maryland Uniform Transfer-on-Death
9 Security Registration Act.

10 BY repealing and reenacting, with amendments,
11 Article - Estates and Trusts
12 Section 16-101
13 Annotated Code of Maryland
14 (1991 Replacement Volume and 2000 Supplement)

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
16 MARYLAND, That the Laws of Maryland read as follows:

17 **Article - Estates and Trusts**

18 16-101.

19 (a) In this title the following terms have the meanings indicated unless the
20 context otherwise requires.

21 (b) "Beneficiary form" means a registration of a security which indicates the
22 present owner of the security and the intention of the owner regarding the person who
23 will become the owner of the security upon the death of the owner.

24 (c) "Devisee" means any person designated in a will to receive a disposition of
25 real or personal property.

26 (d) "Heirs" means those persons, including the surviving spouse, who are
27 entitled under the statutes of intestate succession to the property of a decedent.

1 (e) "Personal representative" includes executor, administrator, successor
2 personal representative, special administrator, and persons who perform
3 substantially the same function under the law governing their status.

4 (f) "Property" includes both real and personal property or any interest therein
5 and means anything that may be the subject of ownership.

6 (g) "Register", including its derivatives, means to issue a certificate showing
7 the ownership of a certificated security or, in the case of an uncertificated security, to
8 initiate or transfer an account showing ownership of securities.

9 (h) "Registering entity" means a person who originates or transfers a security
10 title by registration, and includes a broker OR TRUST COMPANY maintaining security
11 accounts for customers and a transfer agent or other person acting for or as an issuer
12 of securities.

13 (i) "Security" means a share, participation, or other interest in property, in a
14 business, or in an obligation of an enterprise or other issuer, and includes a
15 certificated security, an uncertificated security, and a security account.

16 (j) (1) "Security account" means (i) a reinvestment account associated with
17 a security, a securities account with a broker, a cash balance in a brokerage account,
18 cash, interest, earnings, or dividends earned or declared on a security in an account,
19 a reinvestment account, or a brokerage account, whether or not credited to the
20 account before the owner's death, [or] (ii) a cash balance or other property held for or
21 due to the owner of security as a replacement for or product of an account security,
22 whether or not credited to the account before the owner's [death] DEATH, OR (III) A
23 SECURITIES ACCOUNT MAINTAINED BY A TRUST COMPANY FOR ONE OR MORE
24 CUSTOMERS.

25 (2) "Security account" does not include (I) an account as defined in §
26 1-204(b)(2) of the Financial Institutions [Article] ARTICLE, OR (II) A SECURITIES
27 ACCOUNT HELD BY A TRUST COMPANY AS A FIDUCIARY AS DEFINED IN § 15-101 OF
28 THIS ARTICLE.

29 (K) "TRUST COMPANY" HAS THE MEANING STATED IN § 1-101 OF THIS
30 ARTICLE.

31 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
32 October 1, 2001.